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KYRGYZSTAN

SUCCESS STORY

Farmers Diversify their Businesses

USAID assists Kyrgyz farmers in diversifying and expanding production



Photo: Winrock Intl

Dried tomatoes is one of the high-value crops introduced by the USAID-funded project.

The USAID-funded AgFin+ Project works to increase rural incomes by developing profitable agricultural product value chains in Kyrgyzstan, Tajikistan, and Uzbekistan.

Thanks to USAID-funded projects like AgFin+, the agriculture sector in Kyrgyzstan is slowly improving. Farmers are generating higher personal incomes and have more opportunities to improve their standard of living.

Last year the USAID-funded AgFin+ project introduced new opportunities for tomato farmers. The project, implemented by Winrock International, works in Kyrgyzstan, Tajikistan, and Uzbekistan since November 2004. AgFin+ aims to develop profitable agricultural product value chains by linking farmers to specific markets and assisting them to cope with all the challenges they face in bringing their production to markets. Participant farmers learn to work as a group, get introduced to new technologies, business planning, and delivery contracts. By helping farmers deliver higher value products to markets, the project ensures that these farmers receive higher income.

Since fresh tomato production is already profitable, AgFin+ launched a new initiative on tomato drying in southern Kyrgyzstan. The project showed farmers how to grow and dry tomatoes and provided loans to produce and dry tomato through a micro-credit agency AgroKreditPlus, established with support of AgFin+.

To tap into the continuously growing demand for sun-dried tomatoes in the United States and Europe, project helped farmers sign a contract with a local trading company to sell sun-dried tomatoes at \$2.35 per kilogram to U.S. markets. Farmers are planning to produce about 10 tons of dried tomatoes out of 200 tons of fresh tomatoes.

Farmers have successfully mastered the tomato sun-drying process and are now installing necessary equipment to extend the tomato drying technology. They are also planning to acquire additional 10 hectares of land to expand production. Once these changes have been set in place, farmers will triple their dried tomato exports.